

Message Text

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ACTION EB-07

INFO OCT-01 EA-06 NEA-10 ISO-00 AGR-05 CIAE-00 COME-00

INR-07 LAB-04 NSAE-00 SP-02 STR-04 TRSE-00 CIEP-01

FRB-03 OMB-01 /051 W

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P R 270905Z MAY 75

FM AMEMBASSY JAKARTA

TO SECSTATE WASHDC PRIORITY 8372

AMEMBASSY TEHRAN

INFO AMCONSUL MEDAN

AMCONSUL SURABAYA

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E.O. 11652: N/A

TAGS: EINV BPRO ID

SUBJECT: PURPORTED IRANIAN/U.S. INTEREST IN INDONESIAN
SUGAR MILL INVESTMENT

1. COMMERCIAL COUNSELOR WAS APPROACHED BY MISS
MARIAN LINA IJAS SEEKING APPOINTMENT FOR
WILLIAM A. FIO RITO TO CALL ON AMBASSADOR ANY TIME
MAY 26-28. DUE AMBASSADOR'S WORK LOAD IN CONNECTION
WITH ASSISTANT SECRETARY HABIB'S VISIT AND PREPAR-
ATIONS FOR HIS WASHINGTON CONSULTATIONS APPOINT-
MENT WAS NOT POSSIBLE AND THUS FAR FIO RITO HAS
NOT ACCEPTED OFFER OF COMMERICAL COUNSELOR TO
CONSULT. ACCORDING TO IJAS, WHOSE REPUTATION
AS "PROMOTER" OF UNLIKELY DEALS IS KNOWN TO EMBASSY,
FIO RITO IS PRESIDENT OF COLUMBIA SUGAR REFINERY,
INC., 400 MADISON AVENUE, NEW YORK, PHONE (212)
371-2038 AND IS VISITING JAKARTA AS GUEST OF GOI
IN CONNECTION WITH INVESTMENT OF "\$100 MILLION OF
SHAH'S MONEY" IN A SUGAR MILL PROJECT IN SULAWESI.
SHE CLAIMED THAT FIO RITO ACCOMPANIED BY "PRINCE
AZHAD" HAD DINNER WITH GOI VICE PRESIDENT ON MAY 21
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AND WAS TO MEET WITH BAPPENAS ON MAY 22, ALL IN CONNEC-

TION WITH THIS PURPORTED PROJECT. SHE SAID THAT FIO RITO WOULD BE REPORTING TO "CONGRESSMAN MURPHY" ON HIS RETURN TO THE U.S.

2. COLUMBIA SUGAR REFINERY, INCO., APPEARS ONLY IN NEW YORK TELEPHONE BOOK, THERE IS NO EVIDENCE IN DUN AND BRADSTREET, STANDARD AND POOR'S OR ANY OTHER OF EMBASSY'S RESOURCES THAT FIRM EXISTS. GOI VICE PRESIDENT'S BUSINESS ADVISOR, PROFESSOR SALOSOA MARDJAN CONFIRMS THT PRINCE AZHAD AND FIO RITO DID HAVE DINNER WITH VP ON MAY 21 IN CONNECTION WITH PROPOSAL TO DEVELOP SUGAR MILL AND 100 THOUSAND HECTARE ASSOCIATED SUGAR PLANTATION IN SE SULAWESI. HE SAID THAT THERE WAS NO FEASIBILITY STUDY BUT THERE WAS SOME SOIL RESEARCH THAT HAD BEEN DONE BY GOI DEPARTMENT OF AGRICLTURE, HE SAID HE KNEW NOTHING ABOUT FIO RITO OR COLUMBIA SUGAR, BUT THAT PRINCE AZHAD HAD "SOMETHING TO DO WITH THE IRANIAN CHAMBER OF COMMERCE AND INDUSTRY". HE SAID HE WOULD APPRECIATE RECEIVING ANY INFORMATION ABOUT FIO RITO THAT WE COULD PROVIDE.

3. IRANIAN AMBASSADOR TOLD COMMERCIAL COUNSELOR THAT PRINCNE AZHAD WAS VICE CHAIRMAN OF TEHRAN CHAMBER OF COMMERCE AND INDUSTRY AND HAD IMPORTANT ROLE IN DEVELOPMENT OF IRANIAN SUGAR INDUSTRY. AMBASSADOR SHOKOUHIAN SAID PRINCE AZHAD HAD TOLD HIM THAT "MRM WILLIAM" HAD PARTICIPATED IN A NU BER OF SUGAR MILL PROJECTS IN IRAN.

4. DEPUTY CHAIRMAN OF BAPPENAS, SALEH AFFIF HAD NEVER HEARD OF PRINCE AZHAD OR FIO RITO AND UPON CHECKING WITH WIJOJO AND SUMARLIN (CHAIRMAN AND VICE CHAIRMAN OF BAPPENAS RESPECTIVELY) REPORTED TAHAT THEY HAD NOT MET WITH BAPPENAS AND NO MEETINGS WERE SHECULED.

5. ON MAY 23, SUHUD, CIE CHAIRMAN OF GOI CAPITAL INVESTMENT COORDINATING BOARD (BKPM) CALLED TO INQUIRE IF EMBASSY HAD NAY INFORMATION CONCERNING LIMITED OFFICIAL USE

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FIO RITO'S BONA FIDES. WE NOTED LACK OF ANY INFORMATION OTHER THAN NEW YORK TELEPHONE LISTING OF HIS COMPANY.

6. ACTION REQUESTED: IN VIEW OF HIGH LEVEL GOIO INTEREST IN FIO RITO'S PROPOSAL AND KNOWN GOI PLANS FOR DEVELOPMENT OF NEW SUGAR PRODUCTION AND REHABILITATION OF EXISTING MILLS WOULD APPRECIATE DEPARTMENT AND TEHRAN PROVIDING US ON URGENT BASIS ANY INFORMATION

CONFIRMING FIO RITO, COLUMBIA SUGAR REFINERY AND
PRINCE AZHAD'S SUCCESSFUL ROLE IN IRANIAN OR OTHER
SUGAR INDUSTRY DEVDLOPMENT.
NEWSOM

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Disposition Authority: CunninFX
Disposition Case Number: n/a
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